commodities also through PDS in the rural areas.

SHRI A.K. ANTONY : Madam, various State Governments are already distributing soaps, tea, iodised salt and so many items apart from PDS articles through PDS. In order to help the Tribal people, it is for the State Governments to distribute these commodities through the PDS. From 1991 onwards, the Central Government have started a new scheme, namely, RPDS. It is meant entirely for the Tribal people.... (*Interruptions*) ... I am not evading. I am mentioning that responsibility for implementation at the field level is entirely with the State Governments. We will not be able to interfere or direct in this matter We can only give guidelines. We are in constant touch with the State Governments with regard to improvement of the PDS. Whenever there is any requirement from the Central Government, we are always here to help the State Governments.

Now the question of lifting stocks is there and it is poor. Even though we are allowing large quantities, that much quantity is not being lifted in any State. Now that is the problem.

SHRI S.S. SURJEWALA : He has not followed my question.

May I know from the hon. Minister, whether he would issue instructions to the State Governments to include items like soap, tea, wheat and rice in the PDS shops in the villages ?

THE DEPUTY CHAIRMAN : He said that he will advise the State Governments. If the State Governments are willing to sell them, he will do it. If the State Governments do not want to sell them, then, he cannot force them. (Ends)

श्री ब्रह्मदेव आनन्द पासवान : मैडम, मैं यह कहना चाहता हूं कि क्वेश्चन नम्बर 153 सेम कैसे है, इसी में जोड़ लिया जाए ।

उपसभापति : अलग-अलग है । अलग-अलग चीजें जुड़ नहीं सकती, एक जैसी होती तो जुड़ सकती थी ।

*145. [*The questioner (Shri V. Gopalsamy) was absent for answer vide Col ... infra*]

Economic Cooperation Agreement with EEC

*146. **SHRI N. GIRI PRASAD :†**
SHRI N.E. BALARAM :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have entered into an economic cooperation agreement with the European Economic Community (EEC) ; and

(b) If so, the details thereof and in what manner it is going to improve our trade position ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE : (SHRI KAMALUDDIN AHMED) : (a) Negotiations for a new cooperation Agreement between Indian and the EEC have been concluded. The Agreement has not been signed is yet.

(b) The new Agreement seeks to broaden the cope for economic cooperation to cover a wide range of subject including trade.

SHRI N. GIRI PRASAD : Madam, practically there is no reply to my question. My question was, "If so, the details thereof and in what manner it is going to improve our trade position ?" According to the Minister's reply, the trade between the EEC and India naturally will have some boost. But what are the details ? Though the agreement has not yet been signed it was concluded. The Government is already in the know of the things. In what direction is the trade going to be improved ? I want to know what the details are.

SHRI KAMALUDDIN AHMED : Madam, this agreement is going to be signed on the 20th December, 1993. The hon.

† The Question was actually asked on the floor of the House by Shri N. Giri Prasad.

Commerce Minister is going to Brussels to sign the agreement. Coming to the advantages of the agreement, so far as trade is concerned, I must make it clear that the E.E.C. is a major trading partner with us. Substantial part of our trading, particularly, in dollar terms, is with the E.E.C. In fact, this is not a new agreement. Agreements have been signed earlier also. The first agreement took place in 1973 and the second one in 1987. This is the third agreement which would only broaden the scope of co-operation which was there earlier. A number of other things also come to us. Under the agreement with the E.E.C., a number of assistance programmes are available to us. If the hon. Member wants, I can give the details of the assistant that we have been receiving over the years.

SHRI N. GIRI PRASAD : I humbly thank the hon. Minister for offering to give me the details. Now, in addition to our agreements with the E.E.C., we are also having agreements with individual countries of the E.E.C.; for example, the U.K., Germany and other countries. Are these agreements or understanding with the individual countries of the E.E.C. going to be dovetailed into this broader agreement with the E.E.C ? Does the Government expect any contradiction or conflict between these two agreements ? Will there be co-ordination between these two types of arrangements ?

SHRI KAMALUDDIN AHMED : No conflict would come in as such because trade has been going on smoothly. I do not think any contradiction would come in after the signing of this agreement in relation to the implementation of the agreements which we have already with them.

SHRI G.G. SWELL : Madam, the hon. Minister said that the agreement has been arrived at and that it would cover a wide range of subjects. In this regard, firstly, I would like to know what are the details of the agreement. Secondly, whether the impending conclusions of the G.A.T.T. negotiations would have any effect on the agreement requiring amendments ? Thirdly, I would like to know whether the E.E.C. has agreed to our demand that the multi-fibre agreement should be phased out in seven years, or, have they gone along with the Americans to extend it to fifteen years. This is my specific question. Let us know whether the European Economic Community has agreed to seven years.

SHRI KAMALUDDIN AHMED : This matter has been discussed in detail in the House earlier when we had a discussion on the Dunkel proposals. So far as the details of the agreement are concerned, the moment it is signed, it would be placed on the table of the House.

SHRI G.G. SWELL : Madam, I asked a specific question. I asked whether the E.E.C. has supported our request for phasing out of the M.F.A. within seven years and not ten years as proposed by Dunkel or fifteen years as insisted upon by the Americans. This was my specific question.

SHRI KAMALUDDIN AHMED : The very same proposals are under negotiation now.

SHRI G.G. SWELL : Have they agreed ?

SHRI INDER KUMAR GUJRAL : Madam, I have two submissions to make. One is to you and the other is to the Minister.

My submission to you is that such agreements which have wide implications should at least be brought to the notice of the Standing Committee of Parliament so that we are in a position to know what is happening. I would request you, Madam, that you, as the Chair person, may look into this.

My second point is about the Dunkel Text itself. My hon. friend, Mr. Swell, had rightly asked. A very strange thing is happening. On the one hand, we know it for a fact—whether we have discussed it or not—that the Dunkel proposals are going to harm our interests a great deal, particularly, in the area of textiles in terms of the multi-fibre agreement. Now, the hon. Minister says that we have dircussed it and it is over. How can he be sure that the European Economic Community is going away from the Dunkel commitment ? Has

he reasons to believe that this agreement which we are signing with the E.E.C. would safeguard our interests in a different way than our intererts being harmed by the Dunkel Draft Text itself? Is he convinced that the quota system that is imposed on us by the E.E.C. on our exports of textiles would in any way be bettered by this agreement, or, would this also fall in line with the Dunkel Text

SHRI KAMALUDDIN AHMED : Madam, the agreement which we have, is on the basis of the Most Favoured Nations Treatment. Now, the multi-fibre agreement part is the part of Dunkel proposal and in this agreement, there is no mention about the MFA.

SHRI INDER KUMAR GUJRAL : What about the quantum of quota because in the Dunkel draft it is written that it is back-loaded ? The Minister has also said it here. I am asking a different question. Can he, possibly on a bilateral basis, work out some system whereby the quota is relaxed considerably, more than that mentioned in the Dunkel draft ?

SHRI KAMALUDDIN AHMED : We are trying our best to enhance the quota with all the countries or to see that somehow we get the benefit from that.

SHRI INDER KUMAR GUJRAL : What have you said in the agreement ?

SHRI KAMALUDDIN AHMED : I will place the agreement on the Table of the House. (*Interruptions*)

THE DEPUTY CHAIRMAN : They have concluded it but it is not signed. So he cannot disclose it.

SHRI INDER KUMAR GUJRAL : Madam, this agreement should have been placed on the Table of the House along with the questions and answered so that we would have some material before us. (*Interruptions*)

SHRI KAMALUDDIN AHMED : I submitted that this multi-fibre agreement part is not mentioned in the agreement. There is only a mention about the MFN treatment in the agreement.

SHRI INDER KUMAR GUJRAL : No, no. I am asking for the agreement itself. It should have been brought and laid on the Table of the House along with the questions and answers so that we could discuss it today and I would submit to you, Madam, . . . (*Interruptions*)

THE DEPUTY CHAIRMAN : Mr. Gujral, we will discuss the suggestion made by you with the Chairman and see what can be done.

SHRI KAMAL MORARKA : Madam, I must add my voice to Mr. Gujral's. These matters are of very far-reaching importance and the way we are handling it in the House is not adequate. A lot of other issues like multi-fibre agreement and GATT have got involved. But coming to the main question, you are signing an agreement with the EEC. You said that it is the third agreement—the supplementary agreement. My question to the Minister is : "Will the Government know that the European trade itself is passing through far-reaching changes ?" The Master Treaty is under discussion among the European countries and most of the countries have agreed. England is not agreeing to some of the provisions. But we know the shape of things to come in the next four, five years. In view of the changes which we feel are imminent, has the Government of India made a study as to what will be the impact of these changes on India's trade with Europe? If all the provisions of the Master Treaty are implemented, including currency and terms, which England is still not agreeing, the position would be altogether different. After all, the exchange rate mechanism which England has withdrawn at the moment, is going to have an impact on our trade. You have devalued the rupee. But this is a matter which is in a state of flux. Has the Government of India made a study over the next five years as to what the impact is going to be on India's trade with Europe considering the changes that are taking place within the European community and, if so, what are the salient features, according to you ?

SHRI KAMALUDDIN AHMED : Madam, all these matters have been looked

into before this agreement was negotiated. Now, there are a number of advantage that we are going to have with this agreement. About 12 or 13 advantages have been listed.

SHRI S. JAIPAL REDDY : Madam, the Minister may kindly fulfil his promise of reading out.

THE DEPUTY CHAIRMAN : If it a long statement, I would like you to lay it on the Table of the House.

SHRI KAMALUDDIN AHMED : I have already said that it can be laid on the Table of the House after 20th.

SHRI S. JAIPAL REDDY : Madam, let him briefly summaries now. At the moment, we are discussing in a vacuum.

SHRI KAMALUDDIN AHMED : Madam, the statement is spread over three pages. There are thirteen advantages that have been listed in the statement. I can read it out.

SHRI DIGVIJAY SINGH : How can he read three pages.

THE DEPUTY CHAIRMAN : You can lay it on the Table of the House. No argument please.

SHRI KAMALUDDIN AHMED : There are a number of advantages out of this treaty. I can explain the advantages if they want.

THE DEPUTY CHAIRMAN : Let it be laid on the Table of the House and then at a later stage, if there is possibility of time, we can discuss it.

THE DEPUTY CHAIRMAN : Q. No. 147. . . . (*Interruptions*) . . .

SHRI N. GIRI PRASAD : Madam, can we have a half-an-hour d'scussion on this ?

THE DEPUTY CHAIRMAN : We will see what we can do. If there is time available, we will definitely try to find it.

*147. [*The Questioner* (*Shri Dilip Singh Judev*) *was absent. For answer vide Col. . . infra.*]

*148. [*The Questioner* (*Shri Jagdish Prasad Mathur*) *was absent. For answer vide Col. . . . infra.*]

Proposal to hike prices of items supplied through Public Distribution System

*149. SHRI DIGVIJAY SINGH :†
SHRI SATYA PRAKASH MALAVIYA :

Will the Minister of CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether it is a fact that Government are considering and increasing the rates of food grains, edible oils, kerosene oil being supplied through the Public Distribution System ;

(b) if so, the decision taken by Government in that matter ;

(c) what are the considerations which weighed with Government for increasing the rates of food grains, edible oils and kerosene oil supplied through PDS ; and

(d) what would be its likely overall impact on the consumer ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (d) Periodic revisions is Central issue Prices of commodities distributed through the Public Distribution System (PDS) become necessary due to revisions in procurement/support/import prices, changes in post procurement and other operational costs. Ministries/Departments responsible for various PDS commodities do examine the implecations of non-revision of Central Issue Prices whenever procurement/support/import prices or other costs for a commodity undergoes revision. As at

† The Question was actually asked on the floor of the House by Shri Digvijay Singh.